



# Bolivia: Agriculture Industry

Author: C. Crenwelge

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ID:

## Summary

Agriculture remains an important economic activity, employing tens of thousands of people and accounting for significant portions of Bolivia's gross domestic product and exports.

Farmers' desire to improve crop yields and boost exports of value-added items could generate lucrative export opportunities for U.S. firms. Companies supplying production and food processing technologies and equipment could find the agricultural sector especially attractive, as U.S. products are generally well received and are known for their high quality and technical advantage.

## Agriculture in the Bolivian Economy

Bolivia's economy grew 4 percent in 2005, its fastest rate of expansion since 1998. The agriculture sector accounted for approximately 14.5 percent of an estimated gross domestic product of USD 8.5 billion.

Exports reached record levels in 2005, totaling USD 2.7 billion. The agriculture sector accounted for approximately 6 percent of all exports, ranking fourth in importance behind hydrocarbons, manufacturing, and mining. Table I summarizes Bolivian exports by sector.

*Table I  
Exports by Sector  
(in millions of USD)*

SECTOR	2000	2001	2002	2003	2004	2005	% CHANGE 2004 - 2005
Mining	260	189	200	229	296	346	16.89
Agriculture	112	53	61	94	131	170	29.77
Hydrocarbons	158	287	331	485	814	1,294	58.97
Manufacturing	716	697	727	781	942	923	-2.02
<b>TOTAL</b>	<b>1,246</b>	<b>1,226</b>	<b>1,320</b>	<b>1,590</b>	<b>2,184</b>	<b>2,734</b>	<b>25.18</b>

Source: National Institute of Statistics (INE)

## Industry Profile

Bolivian farmers practice both modern and traditional agricultural methods. Modern agriculture, most prevalent in the eastern lowlands, involves the use of specialized machinery, fertilizers, and irrigation systems and enables producers to achieve internationally competitive productivity levels.

Traditional agriculture is practiced in the mountains and valleys of the Andes, where farmers use animal traction to sow the land and produce low yields of potatoes and other crops. Several indigenous groups have recently begun using solar tents and mid-level technology irrigation systems to increase the variety, quality, and quantity of produce.

Bolivia's most important crops include:

Cereals:	corn, rice, sorghum, wheat, barley, and quinoa
Tubers:	potatoes and yucca
Fruits:	bananas, pineapples, oranges, mandarins, grapes, strawberries, apples, pears, peaches, grapefruit, avocados, and a variety of exotic fruits
Industrial Plants:	soybeans, sugarcane, sunflowers, and peanuts
Vegetables:	tomatoes, lettuce, carrots, beets, broad beans, garlic, kidney beans, pumpkins, and similar products
Others:	coffee, tea, and coca

Bolivians harvested over 2.7 million acres of land (1.1 million hectares) in the Santa Cruz region during the summer of 2004-2005. This represented a 13 percent increase in land use over the previous year, but total output declined five percent, due in part to weather anomalies and diesel shortages. Table II shows agricultural production volume by crop year.

*Table II*  
*Agricultural Production Volume by Crop Year*  
*(in metric tons)*

<b>CROP</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
Cereals	1,073,224	1,174,487	1,239,571	1,405,945	1,239,499
Coffee	27,696	24,086	24,513	24,700	24,546
Fruits	565,012	588,839	614,743	631,420	647,703
Vegetables	167,810	173,117	186,878	193,300	200,354
Industrial Plants	4,865,664	6,033,847	6,342,563	6,447,303	6,897,194
Tubers	1,063,727	1,041,455	1,074,635	1,100,262	1,110,961
Fodder	149,910	152,216	157,006	159,935	163,446
<b>TOTAL</b>	<b>7,913,043</b>	<b>9,188,047</b>	<b>9,639,909</b>	<b>9,962,865</b>	<b>10,283,703</b>

Source: National Institute of Statistics (INE)

## Commercial Opportunities

Demand for production and food processing technologies and equipment has risen due to many farmers' desire to improve crop yields and boost exports of value-added items. U.S. companies may be able to supply the following:

- irrigation technologies
- sustainable land use and soil maintenance technologies
- harvest and post-harvest technologies that improve crop yields
- production machinery, equipment, and spare parts
- fertilizers and chemical inputs
- food processing technologies and equipment
- consulting and/or training services

## For More Information

The U.S. Commercial Service in La Paz, Bolivia can be contacted via e-mail: [sanmartinlm@state.gov](mailto:sanmartinlm@state.gov); phone: 591 2 216 8986; or fax: 591 2 216 8624. The section maintains a website at <http://bolivia.usembassy.gov>.

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